

C. DUKES SCOTT  
EXECUTIVE DIRECTOR

P.O. Box 11263  
Columbia, S.C. 29211



DAN E. ARNETT  
CHIEF OF STAFF

Phone: 803-737-0800  
Fax: 803-737-0801

JOHN W. FLITTER  
DIRECTOR  
ELECTRIC & GAS REGULATION

April 23, 2008

**VIA ELECTRONIC FILING**

Charles L.A. Terreni, Esquire  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, SC 29210

RE: Petition of South Carolina Electric and Gas Company for an accounting order authorizing the Deferment and amortization of expenditures made in connection with its gas water heater rebate.  
Docket No.: 2008-155-G

Dear Mr. Terreni:

The South Carolina Office of Regulatory Staff ("ORS") has reviewed the above docketed matter and does not oppose the accounting treatment requested by SCE&G regarding the deferment and amortization of expenditures made in connection with its gas water heater rebate.

The requested accounting treatment will not change SCE&G's current rates or prices, or require any change in any Commission rule, regulation or policy. Also, the accounting treatment requested is the same as that currently approved in Order No. 89-1074. Additionally, the issuance of the requested accounting order will not prejudice the right of any party to address this issue in a subsequent general rate case proceeding or in any filing made pursuant to the Natural Gas Rate Stabilization Act under S.C. Code Ann. § 58-5-410 *et seq.* (Supp. 2007).

Sincerely,

John W. Flitter

JF/sh

cc: K. Chad Burgess, Esquire  
Shannon Bowyer Hudson, Esquire